

Message Text

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ACTION EA-09

INFO OCT-01 ISO-00 AGRE-00 CIAE-00 COME-00 EB-07
INR-07 LAB-04 NSAE-00 EPG-02 SP-02 STR-04 TRSE-00
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FM AMEMBASSY MANILA

TO SECSTATE WASHDC 600

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PASS USDA/FAS/MCCONNELL, SUGAR & TROPICAL PRODS. FOA

E.O. 11652: NA

TAGS: EAGR, RP

SUBJECT: LABOR SITUATION IN SUGARLAND

REF: MANILA 836

1. DURING THE PAST FEW MONTHS, THE PRESS HAS CARRIED NUMEROUS ARTICLES DISCUSSING THE PLIGHT OF WORKERS ON SUGAR FARMS FOLLOWING TERMINATION OF THE MILLING SEASON IN JUNE. DURING PAST YEARS, CANE PRODUCERS IN ORDER TO KEEP THEIR LABOR FORCE INTACT, PROVIDED WORKERS WITH QUOTE MAKE WORK JOBS END QUOTE. THIS YEAR, HOWEVER, BECAUSE OF THE LOW RETURNS FOR SUGAR, AND THE GENERAL COST PRICE SQUEEZE, IT IS THE CONSENSUS OF MANY PRODUCERS THAT THIS PRACTICE WOULD NOT BE POSSIBLE. HOWEVER, THEY BELIEVE THAT EVEN WITHOUT OFFSEASON WORK, IF THE WORKERS HAD ENOUGH TO EAT, WIDESPREAD LABOR PROBLEMS WOULD NOT BE TOO SERIOUS.

2. ON JANUARY 14 A LETTER OF INSTRUCTION WAS ISSUED, SEE REFTTEL, WHICH WAS INTENDED TO PROVIDE ASSISTANCE AND RELIEF TO SUGAR WORKERS. THE NUMBER OF SUCH WORKERS AT THAT TIME WAS PLACED AT 140,000 TO 180,000. A RECENT ARTICLE IN BUSINESS DAY REPORTED

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THE RURAL WORKERS OFFICE (RWO) AS SAYING THAT 23,000 SUGAR WORKERS HAD BEEN LAID OFF IN NEGROS AND OTHER PRODUCING AREAS IN THE VISAYAS. THE RWO IS NOW ESTIMATING THAT 70,000 WORKERS WILL BE LAID OFF WHICH IS A SHARP DECLINE FROM EARLIER ESTIMATES. THE GOVERNMENT PLANS TO SPEND 60 MILLION PESOS ON VARIOUS PROJECTS THAT WILL EMPLOY 17,000 DISPLACED WORKERS. ANOTHER 160 MILLION PESOS HAS BEEN MADE AVAILABLE FOR RICE LOANS REPORTEDLY

TO BE GIVEN TO JOBLESS WORKERS AND TO PLANTERS. THE AMOUNT HAS NOT BEEN VERIFIED AND SEEMS HIGH.

3. ON MAY 1, 1977, PRESIDENT MARCOS SIGNED PD NO. 1123 GRANTING A 60 PESOS PER MONTH INCREASE IN THE COST-OF-LIVING ALLOWANCE. THE DECREE WAS EFFECTIVE MAY 1 AND APPLIES TO ALL EMPLOYERS. THE NATIONAL FEDERATION OF SUGARCANE PLANTERS (NFSP) HAS PETITIONED THE GOVERNMENT FOR AN EXEMPTION FROM THE DECREE. THEY ARGUE THAT, WITH THE COMPOSITE PRICE OF SUGAR BELOW THE COST OF PRODUCTION FOR MANY PLANTERS AND WITH OVER 90 PERCENT OF THE PLANTERS IN ARREARS ON LAST YEAR'S PRODUCTION LOANS, IT IS IMPOSSIBLE FOR THEIR MEMBERS TO COMPLY WITH THE DECREE.

4. NFSP OFFICIALS AND VARIOUS SUGARCANE PLANTERS IN THE BACOLOD AREA WHO WERE INTERVIEWED DURING A RECENT VISIT TO BACOLOD BY THE ASSISTANT AGATT WERE OF THE OPION THAT FARM WORKERS UNDERSTOOD THE PLANTERS' TIGHT FINANCIAL POSITION AND WERE NOT LIKELY TO PRESS TOO STRONGLY FOR THE COST-OF-LIVING ALLOWANCE AS LONG AS THEY HAD ENOUGH TO EAT AND A JOB WHEN NEXT YEAR'S MILLING SEASON BEGINS. ACCORDING TO NFSP, THE LABOR UNIONS ARE APPARENTLY NOT BEING OVERLY AGGRESSIVE IN THEIR DEMANDS. HOWEVER, THE NFSP ALSO NOTES THAT THE CLERGY IS PUBLICLY PRESSING THE PLANTERS TO PAY THE ALLOWANCE.

5. IN ORDER TO OBTAIN A CURRENT ASSESSMENT OF THE LABOR SITUATION IN THE VISAYAS, THE AGATTACHE HAS SUGGESTED TO THE CONSUL IN CEBU THAT THEY VISIT THE AREA IN MID-JUNE FOLLOWING TERMINATION OF THE MILLING SEASON. FOR THE MOMENT, WE BELIEVE THAT LIMITED OFFICIAL USE

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THE SITUATION BEARS WATCHING, BUT THAT THE LIKELIHOOD OF CIVIC DISRUPTION OR POLITICAL REACTION IS SMALL.
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Control Number: n/a
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Sent Date: 02-Jun-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
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